

~~SECRET~~

4049

THE WHITE HOUSE

WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: Expanded Meeting with Russian President
Vladimir Putin (U)

PARTICIPANTS: The President
Colin Powell, Secretary of State
Andrew Card, Chief of Staff to the
President
Karen Hughes, Counselor to the President
Condoleezza Rice, Assistant to the President
for National Security Affairs
Daniel Fried, Special Assistant to the
President and Senior Director for Europe
and Eurasia, NSC Staff, Notetaker
John Beyrle, Acting Special Adviser to the
Secretary of State for the New Independent
States
Peter Afanasenko, Interpreter

President Putin
Vladimir Rushaylo, Secretary of Security
Council
Igor Ivanov, Foreign Affairs Minister
Sergei Prihodko, Deputy Chief of the
President
Dmitri Medvedev, First Deputy Chief to the
President
Interpreter

DATE, TIME June 16, 2001, 4:40 - 5:00 p.m.
AND PLACE: Brdo Castle, Slovenia

The President: Thank you again for coming here for this
meeting. We covered a lot of territory in our discussions just
now. We agreed to work hard to establish a close personal

~~SECRET~~

Classified by: Stephen A. Biegun

Reason: 1.5(d)

Declassify On: 6/16/11

NW#: 78134

DocId: 34685208

~~SECRET~~

2

friendship and one between our nations. We also agreed on some specifics. President Putin accepted my invitation to visit in America and to come to the Ranch. I agreed to go to Moscow, and perhaps to visit President Putin in his home there. (C)

We agreed that the Secretary of Commerce should go to Moscow to discuss business conditions and that our trade secretary (USTR) will also go to Moscow to discuss the WTO and other, related issues. We agreed to a dialogue on a security framework for our countries. Secretary Rumsfeld and Defense Minister Ivanov should continue their contacts in a formal way. We agreed to this, too. (C)

We agreed that we have interests in common, including a rejection of Islamic Fundamentalism and an interest in cooperating on energy issues. This meeting was better than I expected. Or, I should say, it exceeded my expectations. (C)

President Putin: Mr. President, I share your view that this was an important meeting. We see the United States as a very important partner for us. Not just for today: we want to maintain and increase our ties far into the future. We discussed all the issues you mentioned just now. I did not want to lose time discussing well-known positions but there still was much to discuss. Our colleagues had to wait, I have to say, but we ourselves had a very good discussion. We touched on all the big issues. I can confirm my invitation to the President in any capacity. And I thank you for your invitation. (C)

In light of our discussion of organizing our dialogue, I think it important to organize business delegations. We recently hosted a large delegation of Japanese businessmen. There were about 240, I think, and they traveled all over the Far East and eventually came to Moscow, where I met them. We had a very interesting discussion. We may not copy the Japanese methods, but if business people come, it seems good to learn from them. Last year, we had indications of some economic stabilization and thanks to this foreign investors could well be interested in coming to Russia. There is a lot to discuss with them: we have enormous resources: energy, nuclear facilities, hydrocarbons. I want to note that Russia has never cut back on its oil production. (C)

The President: Thank you. (U)

President Putin: We will maintain our relations with OPEC, but we will set policy independently. The President mentioned to me

~~SECRET~~

our scientists, mathematicians and skilled human resources. We have great educational faculties for mathematics and perhaps these could be upgraded to develop a business aspect as well.

~~(S)~~

We also spoke of hot spots in the world: Afghanistan, Iran and various concerns of the United States. We explained our nation's positions comprehensively. We did not touch on the Balkans, which is right here and important. Perhaps we could ask one of our people, like Secretary Powell, to start on this topic. ~~(S)~~

The President: I made a huge diplomatic mistake. I should have said that our Ministers of Foreign Affairs will coordinate our dialogue. Friend Colin, I didn't mean to leave you out! ~~(S)~~

Secretary Powell: Mr. President, during your meeting we discussed a number of issues, including the Macedonian situation. This is very fragile. This issue came up also in Brussels, and after the NAC Solana and Robertson went to Skopje to try to put a peace plan into place. This involves getting the NLA to give up its arms and to turn to a political process. We also have to urge the Government of Macedonia to address issues of concern to the Albanian community. We agreed that this cannot be solved on the battlefield, and so the political track is very important. We should support Solana's and Robertson's efforts to develop a political solution to give hope to the Albanian minority and to remove the fertile ground behind the insurgency. ~~(S)~~

Foreign Minister Ivanov: Thank you, Mr. President. We did discuss the Balkans, as we have done at the Contact Group. There are in disagreements over principles. We both want stability in the Balkans. There are not disagreements in our assessments. The terrorists have unfortunately a major destabilizing effect and they use different methods to destabilize. We do have different visions of the solutions, however. There are different sets of problems: region-wide and particular country problems. Yes, the problems can be solved only politically. But only groups ready for dialogue can participate in this. These Albanians in Macedonia are from Kosovo, and we know what happened there. We have to talk with those ready for dialogue. And we should not tell the Macedonians to contact people who are using weapons. My views are that this is a complex picture. And we need to demonstrate that there can be no use of force. Globally, we should be careful and not allow mono-ethnic states to spring up. This

would lead to new ethnic conflicts. For this reason, we have proposed a regional conference to codify the inviolability of borders and the non-use of force in disputes. This would give these countries a legal space to protect their sovereignty and codify the absolutely inviolability of borders. Such a conference... (S)

President Putin: They get the point. They got it. Thank you. (S)

Another area in which we need to work together in common purpose is the problem of extremism that plagues the world, especially on Russia's southern border. I don't want to say "Welcome to the West" and not even try to do something about this. (S)

President Putin: Yes, during our meeting we discussed the need for a common front against Usama Bin Laden. (S)

The President: I agree. We're free people and should not be subjected to this kind of situation. Perhaps our security agencies should work together to root out extremists. They are closer to Russia, but also close to the United States in this modern world. This is another great opportunity to show that we think differently and will try to come together. It's in your interests, and mine, too. (S)

I want to say here something that we talked about. I want us to look eye to eye, and I want you to know that I'm not interested in diminishing Russia. Just not interested. We have a fantastic opportunity to build a partnership. I'm telling you that the old relationship should be over. We're moving on. I'm enthusiastic, and that won't wear off after a nine-hour plane ride back to Washington. (S)

Now, we seem to have covered most things. Are there questions? Maybe we should talk about Nagorno-Karabakh. It is in a tough period right now, I think. (S)

President Putin: We could try. This could be the first chance to settle a major ethnic and territorial dispute through mediation of this kind. I spoke to President Aliyev and Kocharian not long ago and the situation is like this, if you think it is worth spending the time. (S)

[President Putin sketches on blank paper a rough map of the Armenia-Azerbaijan border region, including Nagorno-Karabakh]

As you see, this is Azerbaijan and this is Armenia, and this is Nagorno-Karabakh. Now we had a proposal for a corridor here, but Aliyev wants to expand his control of Susha, which would wipe out the corridor as agreed, and substitute a new corridor up here. But this new corridor would put at risk the Armenian troops at the Line of Contact to the west of Nagorno-Karabakh. They would no longer be defensible. I was optimistic, but it does seem hard. Still if we remain united and keep talking together, perhaps we could get the Presidents to keep working and get past the current impasse. (S)

The President: I agree with that. (S)

We are sincere. And we can do some good. There will be issues that come up, but I've got issues with the United States Senate!

President Putin: Yesterday the Duma debated the Land Code and there was a clash. We almost got into a riot with the Communists, and a couple of Deputies got into a fistfight! So we've got plenty of problems. (S)

The President: Well, you got a flat tax through them, and I couldn't get one out of mine. Now that was a wise move. It shows the business community a good signal. We tried hard to get a tax bill and got an ok bill through. But it wasn't what you did. I can't do what you did. Well, I think we have covered what we needed to, and we have a press conference. (S)

-- End of Conversation --